

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 664

BY APPROPRIATIONS COMMITTEE

AN ACT

1 APPROPRIATING ADDITIONAL MONEYS TO THE STATE TAX COMMISSION FOR FISCAL
2 YEAR 2012; APPROPRIATING MONEYS TO THE STATE TAX COMMISSION FOR FISCAL
3 YEAR 2013; LIMITING THE NUMBER OF AUTHORIZED FULL-TIME EQUIVALENT PO-
4 SITIONS; PROVIDING GUIDANCE FOR EMPLOYEE COMPENSATION AND BENEFITS;
5 PROVIDING LEGISLATIVE INTENT WITH REGARD TO THE TAX COMPLIANCE INITIA-
6 TIVE; AND DECLARING AN EMERGENCY.
7

8 Be It Enacted by the Legislature of the State of Idaho:

9 SECTION 1. In addition to the appropriation made in Section 1, Chapter
10 272, Laws of 2011, and any other appropriation provided for by law, there is
11 hereby appropriated to the State Tax Commission, the following amounts to
12 be expended for the designated programs and expense classes, from the listed
13 funds for the period July 1, 2011, through June 30, 2012:

| | FOR PERSONNEL COSTS | FOR OPERATING EXPENDITURES | TOTAL |
|----------------------------------|---------------------------|----------------------------------|-----------|
| 17 I. GENERAL SERVICES: | | | |
| 18 FROM: | | | |
| 19 Multistate Tax Compact | | | |
| 20 Fund | | \$250,000 | \$250,000 |
| 21 Administration and Accounting | | | |
| 22 Fund | \$56,000 | 4,500 | 60,500 |
| 23 TOTAL | \$56,000 | \$254,500 | \$310,500 |
| 24 II. AUDIT AND COLLECTIONS: | | | |
| 25 FROM: | | | |
| 26 Federal Grant | | | |
| 27 Fund | \$71,000 | \$25,000 | \$96,000 |
| 28 III. REVENUE OPERATIONS: | | | |
| 29 FROM: | | | |
| 30 Administration and Accounting | | | |
| 31 Fund | \$1,000 | \$3,900 | \$4,900 |
| 32 Federal Grant | | | |
| 33 Fund | 12,000 | 0 | 12,000 |
| 34 TOTAL | \$13,000 | \$3,900 | \$16,900 |

| | FOR PERSONNEL COSTS | FOR OPERATING EXPENDITURES | FOR TOTAL |
|-------------|---------------------------|----------------------------------|--------------|
| GRAND TOTAL | \$140,000 | \$283,400 | \$423,400 |

SECTION 2. There is hereby appropriated to the State Tax Commission, the following amounts to be expended according to the designated programs and expense classes, from the listed funds for the period July 1, 2012, through June 30, 2013:

| | FOR PERSONNEL COSTS | FOR OPERATING EXPENDITURES | FOR CAPITAL OUTLAY | TOTAL |
|--|---------------------------|----------------------------------|--------------------------|---------------|
| I. GENERAL SERVICES: | | | | |
| FROM: | | | | |
| General | | | | |
| Fund | \$4,207,900 | \$2,585,500 | | \$6,793,400 |
| Multistate Tax Compact | | | | |
| Fund | | 323,600 | \$41,300 | 364,900 |
| Administration and Accounting | | | | |
| Fund | 6,900 | 102,400 | 2,500 | 111,800 |
| Administration Services for Transportation | | | | |
| Fund | 445,200 | 471,200 | 60,000 | 976,400 |
| Seminars and Publications | | | | |
| Fund | <u>0</u> | <u>9,100</u> | <u>0</u> | <u>9,100</u> |
| TOTAL | \$4,660,000 | \$3,491,800 | \$103,800 | \$8,255,600 |
| II. AUDIT AND COLLECTIONS: | | | | |
| FROM: | | | | |
| General | | | | |
| Fund | \$12,304,200 | \$1,939,500 | | \$14,243,700 |
| Multistate Tax Compact | | | | |
| Fund | 1,294,800 | 475,500 | | 1,770,300 |
| Administration and Accounting | | | | |
| Fund | 23,000 | 72,500 | | 95,500 |
| Administration Services for Transportation | | | | |
| Fund | 1,609,600 | 345,500 | | 1,955,100 |
| Federal Grant | | | | |
| Fund | <u>71,000</u> | <u>25,000</u> | | <u>96,000</u> |
| TOTAL | \$15,302,600 | \$2,858,000 | | \$18,160,600 |

| | FOR | FOR | FOR | | |
|----|--|---------------|----------------|----------------|----------------|
| | PERSONNEL | OPERATING | CAPITAL | | |
| | COSTS | EXPENDITURES | OUTLAY | TOTAL | |
| 4 | III. REVENUE OPERATIONS: | | | | |
| 5 | FROM: | | | | |
| 6 | General | | | | |
| 7 | Fund | \$3,297,600 | \$1,919,200 | \$61,800 | \$5,278,600 |
| 8 | Multistate Tax Compact | | | | |
| 9 | Fund | | 31,500 | 6,000 | 37,500 |
| 10 | Administration and Accounting | | | | |
| 11 | Fund | 103,400 | 79,100 | | 182,500 |
| 12 | Administration Services for Transportation | | | | |
| 13 | Fund | 535,100 | 318,700 | 10,900 | 864,700 |
| 14 | Seminars and Publications | | | | |
| 15 | Fund | | 14,400 | | 14,400 |
| 16 | Federal Grant | | | | |
| 17 | Fund | <u>12,000</u> | <u>0</u> | <u>0</u> | <u>12,000</u> |
| 18 | TOTAL | \$3,948,100 | \$2,362,900 | \$78,700 | \$6,389,700 |
| 19 | IV. PROPERTY TAX: | | | | |
| 20 | FROM: | | | | |
| 21 | General | | | | |
| 22 | Fund | \$2,548,100 | \$371,300 | | \$2,919,400 |
| 23 | Seminars and Publications | | | | |
| 24 | Fund | <u>0</u> | <u>131,000</u> | <u>\$8,800</u> | <u>139,800</u> |
| 25 | TOTAL | \$2,548,100 | \$502,300 | \$8,800 | \$3,059,200 |
| 26 | GRAND TOTAL | \$26,458,800 | \$9,215,000 | \$191,300 | \$35,865,100 |

27 SECTION 3. FTP AUTHORIZATION. In accordance with Section 67-3519,
28 Idaho Code, the State Tax Commission is authorized no more than four hundred
29 sixty-one (461) full-time equivalent positions at any point during the pe-
30 riod July 1, 2012, through June 30, 2013, unless specifically authorized by
31 the Governor. The Joint Finance-Appropriations Committee will be notified
32 promptly of any increased positions so authorized.

33 SECTION 4. EMPLOYEE COMPENSATION AND BENEFITS. The Legislature rec-
34 ognizes and thanks all state workers for their dedication, professionalism
35 and for the personal sacrifices they make every day in the performance of
36 their duties to serve our citizens. In accordance with the provisions of
37 Section 67-5309C, Idaho Code, the Legislature supports the Governor's rec-
38 ommendation in not making changes in annual salaries and benefits for state

1 employees based upon labor markets or specific occupational inequities;
2 directs agencies and institutions that have excess personnel cost appro-
3 priations or salary savings due to turnover to use such funding for a merit
4 increase component, notwithstanding the provisions of Section 67-5309B(4),
5 Idaho Code, to recognize and reward permanent and temporary state employ-
6 ees; and does provide funding to agencies and institutions to provide a two
7 percent (2%) pay increase for all classified and nonclassified permanent
8 performing employees. Performing employees shall be all permanent employ-
9 ees, including adjunct faculty at colleges and universities, who have been
10 rated as "achieves" or better on a performance plan if required by Division
11 of Human Resources rule, including probationary permanent employees making
12 satisfactory progress. The Legislature supports the Governor's recommenda-
13 tion to fund increases in the cost of health insurance benefits and directs
14 the director of the Department of Administration, as the administrator of
15 the state insurance plan, to maintain the current benefit package to the ex-
16 tent possible, which may require a cost sharing on the part of employees for
17 the increased cost of the health insurance plan.

18 SECTION 5. LEGISLATIVE INTENT. It is the intent of the Legislature that
19 the State Tax Commission provide quarterly reports to the Governor and the
20 Joint Finance-Appropriations Committee comparing the total costs from all
21 funding sources used for all phases of the "Tax Gap" compliance efforts and
22 the year-to-date and historical collections related to those efforts. The
23 State Tax Commission shall present an update of the Tax Gap study to the Joint
24 Finance-Appropriations Committee at its fall meeting. The update shall in-
25 clude, but is not limited to, a historical analysis of how many positions
26 were provided by the Legislature for Governor's initiatives, what were those
27 positions' original responsibilities, what are their current responsibili-
28 ties, and how will they continue to address compliance issues.

29 SECTION 6. An emergency existing therefor, which emergency is hereby
30 declared to exist, Section 1 of this act shall be in full force and effect on
31 and after passage and approval.